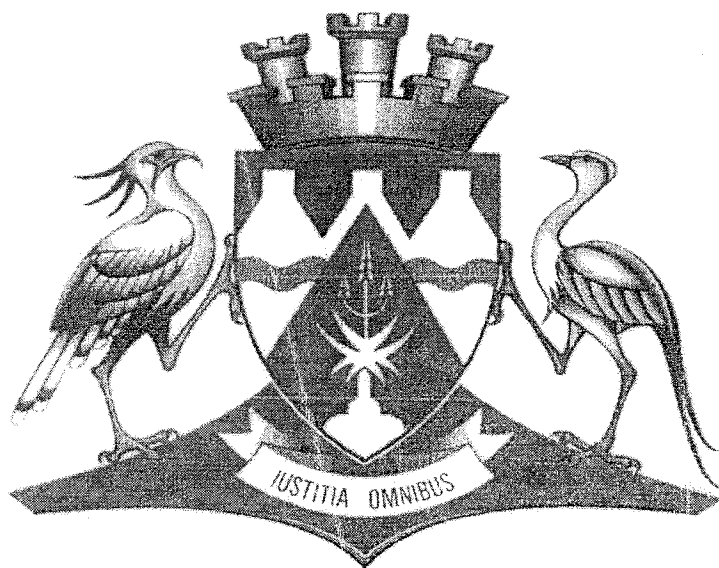


PIXLEY KA SEME DISTRICT MUNICIPALITY

# Annual Report

2008/09



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## 1 CHAPTER 1: INTRODUCTION AND OVERVIEW

### 1.1 MAYOR'S FOREWORD

The local government sphere of governance in the country is maturing to such an extent that most municipalities and local government-practitioners can now put the fingers on the pulse of improved service delivery, and also identify challenges and blockages to service-delivery.

Pixley ka Seme District Municipality and most municipalities in the region, are now in a position to proudly declare that they are complying with section 152 of the Constitution of the country, in which it states that the objects of local government are,

- to provide democratic and accountable government for local communities,
- to ensure the provision of services to communities in a sustainable manner,
- to promote social and economic development,
- to promote a safe and healthy environment, and
- to encourage the involvement of communities and community organizations in the matters of local government.

The last financial year saw the country and the region going into an election-period, which was characterized by a high level of competition and lobbying for votes amongst the people of the country. The electoral system and the commitment of the people of the country once again demonstrated that despite the differences in political preferences, the country will not experience a blood-bath and civil unrest. The democracy and political freedom which we now experience as a country will always be protected and nourished by the very people of the country, who will ensure that we do not degenerate into a lawless society and country. We also need to acknowledge the work done by the South African security establishment, as well as the Independent Electoral Commission for their outstanding performance in ensuring credibility of the elections. Responsibility rest on all of us to ensure that we improve the socio-economic conditions of the most vulnerable in our region, and to further ensure that Pixley ka Seme region migrates out of its' current state of poverty and unemployment.

Youth development stayed high on the social agenda of the municipality, as all of us acknowledged that to succeed as a region, we must ensure that we empower and skill the youth of the region. The previous financial year saw the municipality taking in more than 100 unemployed matriculates on a learnership-basis. All municipalities participated in this initiative, and could experience the vibrancy and creativity of the youth. Municipalities resolved to retain some of the learners, due to budgetary considerations and other operational challenges, and trusts that the others will use the experience gained during the past year to gain meaningful employment. The past financial year also saw a high number of unemployed youth being afforded the opportunity to be enrolled for learners' and drivers licences.

The past financial year also saw the Council Meets the People-programme being taken to the most rural towns and areas in the region. This was in an attempt to ensure that all the people of the region are afforded an opportunity to highlight their social plight and also for the Executive Mayor and Members of the Mayoral Committee to provide temporary relief and advice. This programme will be continued, and all municipalities will be visited.

The District Intergovernmental Relations Forum also proved to be one of the key engagement-sessions during the last financial year, in that all municipalities and government-departments could get together to discuss and plan on how to improve the lives of the people of the region. Some of the challenges remaining for the proper functioning of this forum would be the regular attendance of regional heads and mayors, so as to ensure that we properly implement the resolutions of the forum.





Pixley ka Seme region can pride itself in the fact that it could provide the current premier of the Northern Cape province, although it came as a shock and surprise to all of us. Mrs Hazel Jenkins was our Executive Mayor for a considerable period of time, and we were saddened but joyful in her nomination and election to the highest office in the province. To us, this is a vote of confidence in the leadership-potential of the people of this region, and we pledge our unwavering support to the provincial administration, led by Premier Hazel Jenkins, as we also supported the previous administrations in the province. We will strengthen and support the efforts of the provincial government and administration to ensure that the lives of the people of the province are changed for the better.

The past financial year also saw Mr N.M Jack, joining us as the Acting Municipal Manager of the Pixley ka Seme District Municipality, and eventually being appointed as the Municipal Manager. We must take the opportunity in formally welcoming him as the administrative commander of the municipality, and we know that his experience and managerial acumen will take the institution to greater heights.

We could also succeed in assisting a high number of municipalities in the region, in the implementation of infrastructure projects, with the sole intention of improving the lives of the people of this region. The municipality could assist the Kareeberg Municipality with the eradication of the buckets in Carnavon, Siyathemba Municipality with in the upgrading of streets in Prieska, Siyancuma Municipality with the eradication of the buckets in the Bongani-township, Renosterberg Municipality with the implementation of the Vanderkloof-Petrusville water pipeline as well as the upgrading of streets in Philipstown. The municipality was also minimally involved in some other municipalities, especially in providing expert advice on project management and implementation. The bulk infrastructure of the Ou Boks-project in Colesberg is also completed, and the construction of the houses is unfolding at a very fast pace, with 250 houses being completed by the end of February 2010.

The Pixley ka Seme District Municipality totally aligns itself and supports the " Operation Clean Audit 2014 ", as we believe that it is only through proper record-keeping and credible accounting-procedures that we can qualitatively improve the lives of the people of the region. The past financial year saw us inviting the Office of the Northern Cape Auditor General, to highlight the audit-process and the challenges which they experienced whilst auditing the municipalities in the region. As the district municipality we committed ourselves in improving our internal accounting and record-keeping systems, and to ensure migration to an unqualified audit-opinion.

This annual report has been drawn-up as mandated by Chapter 12 of the Municipal Finance Management Act, and it states that, " Every municipality must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality ". One of the purposes of the annual report is to provide a report on the performance of the municipality against the budget set for the past financial year.

This report will therefore include the following reports, which will provide a more balanced view of the performance of the municipality for the 2008-2009 financial year:

- The annual financial statements, as submitted to the Auditor General.
- The report of the Auditor General, on the financial statements.
- The annual performance report of the municipality.
- Any other relevant financial information.
- Reports from the different sections and departments in the municipality.



It will be very important for us as public representatives at this sphere of government, to internalize the content of this report, so as to make informed decisions on how to improve service-delivery by the district municipality.

Finally, the Executive Mayor, councillor J.Z.Lolwana, Members of the Mayoral Committee and all councillors of the Pixley ka Seme District Municipality, would hereby like to declare our total commitment to the eradication of poverty and unemployment in the region. We also believe by working together with the people of this region, we will be able to improve the livelihoods of the majority who still only know hunger and strife in their daily lives.

## 1.2 OVERVIEW OF THE MUNICIPALITY

The Pixley ka Seme lies in the south-east of the Northern Cape Province and shares its borders with three other provinces, namely, the Free State province to the east, the Eastern Cape to the south-east and Western Cape to the south-west. It is one of the five District Municipalities in the province and it is the second largest covering a total surface area of 102 727 square kilometres.

The District Municipality's demarcated area consists of eight category B municipalities, namely, Ubuntu, Emthanjeni, Siyancuma, SiyaThemba, Kareeberg, Renosterberg, Thembelihle and Umsobomvu, and one District Management Area.

- **Emthanjeni Municipality:** comprising of the three towns De Aar, Britstown and Hanover. De Aar is the second most important railway junction in the country. When the railway line was built from Cape Town to Kimberley, the administration bought a large portion of the farm, De Aar, meaning coincidentally 'artery', after underground water supply, envisaged as large life-giving veins of water.
- **Ubuntu Municipality:** comprising of three towns that is Victoria West, Loxton and Richmond. The N12 and N1 passes through this municipality and has a great tourism potential. The preliminary study in the district's Mining Strategy highlights that the municipality is endowed with uranium deposits.
- **Umsobomvu Municipality:** this municipality comprises of three towns, that is, Colesberg, Norvalspont and Noupoot. N1 and N9 traverse through the municipality. A significant portion of the Gariep Dam is located within the municipal area and is also shared with other municipalities in the Eastern Cape and Free State Provinces. In the district this municipality is among the municipalities that hold massive tourism potential.
- **Kareeberg Municipality:** this municipality comprises of three towns, that is, Carnarvon, Van Wyksvlei and Vosburg. The municipal area is the heart of the karoo and the predominant economic activity is livestock farming. The possibilities of having Kilometre Array Telescope benefit the landscape of the municipality that is characterised by clear skies and less pollution. This municipality is an entry point to the Western Cape Province from the Northern parts of the country.
- **Renosterberg Municipality:** is located on the banks of the Orange River. The municipality was formed through the amalgamation of three towns, that is, Petrusville, Vanderkloof and Phillipstown. The municipality covers approximately 553 000 ha of land and forms about 5% of the total area of the district.
- **Thembelihle Municipality:** this municipality is also located on the banks of the Orange River. The municipality was formed through the amalgamation of three towns, that is, Hopetown, Strydenburg and Orania. The outcome of the dispute regarding Orania has not yet been decided upon and the uncertainty still exists as to where Orania is demarcated. N12 cuts through this municipal area and is a major boost to the economies of Hopetown and Strydenburg.

- **Siyancuma Municipality:** this municipality hosts the confluence of the Vaal and the Orange River. It comprises in the main of three towns, that is, Campbell, Douglas and Griekwastad and has densely populated rural settlement called Smitchdrift. The municipal area is richly endowed with precious and semi-precious stones, that is, diamonds and tiger's eye. Beneficiation of tiger's eye is on the high impact project identified in the District Growth and Development Strategy. The municipality has a great tourism potential.
- **Siyathemba Municipality:** this municipality is located on the banks of the Orange River and boasts with massive and high scale irrigation farming, the river not only adds agricultural value to the municipality but also boosts massive tourism and economic potential. The municipality comprises of three towns, that is, Marrydale, Prieska and Niekershoop. The municipality has massive potential for mining activities of both precious and semi-precious stones, the municipality also has the Alkantpan testing area where international and national ammunition testing is done. One of the unique features of the municipality is the NDC project for producing pistachio nuts, which is worthwhile mentioning.

## 1.2.1 SOCIO-ECONOMIC CHARACTERISTICS

### 1.2.1.1 DEMOGRAPHICS

The district has a total population of 164 412 which represents 16.49% of the population of the Northern Cape. The population density of the district is 1.6 person per square kilometre which is less than the provincial density of 2.27 per square kilometre. The population is as follows:

- The population can be classified as young with approximately 58.3% below the age of the 30,
- 65.61% of the population are youth,
- The youth make up approximately 94% of the economically active population, and
- The population of the district is decreasing with census data indicating a decline in the district by approximately 9100 people between the 1996 and 2001. The major reason for the decrease is the fact that people are migrating in search of work opportunities.

The growth of the population in the district will depend on economic opportunities in that the district can offer, especially to young adults who are the most mobile group. A stagnating economy that cannot provide school leavers with job opportunities will result in the loss of these economically active adults to areas with economic opportunities. While the population size of the district in 1996 was 176 293, the population in 2001 was 164 620 (with negative growth rate of -1.29%). A negative growth rate is forecast for the rural population and by 2015 the towns are also expected to show a negative growth. The growth of households is greater than that of the population growth. In many instances the population may be static (i.e. no population growth) but settlement size is increasing with the formation of new households. The household growth rate between 1996 and 2001 was 2.49%.

### 1.2.1.2 HUMAN DEVELOPMENT INDEX

The Human Development Index measures the average achievement in a country in three basic dimensions of human development, that is, longevity, knowledge and decent standards of living. It is a composite index that contains three variables: life expectancy, educational attainment and real GDP per capita. The closer the index gets to 1.0, the higher the levels of living conditions. The average HDI for the province is 0.52 with the Kimberley and Namakwa magisterial districts having the highest at 0.63 and the Barkley West magisterial district having the lowest at 0.44.

The average HDI for the district is 0.49 with De Aar having the highest at 0.58 and Noupoot having the lowest at 0.45. Despite the advances made with regard to delivery of basic services, the HDI has largely been stagnant.

### 1.2.1.3 UNEMPLOYMENT AND LABOUR

There has been a decrease in the number of people employed and concomitant increase in the number of unemployed in the district between 1996 and 2001 in the district. This directly relates to the number of businesses that has closed in the district during the period reflected and also indicates the need for a retention or wholesale and retail strategy. According to the Geospatial Analysis Platform and NSDP Spatial Profile, a study commissioned by the Policy Coordinating Advisory Service in the Presidency, approximately 25% of the economically active population in the district is unemployed.. The municipalities that have the largest percentage of unemployed are Umsobomvu and Renosterberg with unemployment rate of 30.2% and 31.5% respectively. When the actual numbers of unemployment in the district are considered, the municipalities that have the most people in the unemployment trap are Emthanjeni, Siyancuma, Umsobomvu and Siyathemba. These account for 20 153 (70.8%) of the total unemployed in the district.

The *labour participation rate* in the district is 50.43%. This indicates the labour force as a percentage of the population in the age group 15 – 64 years of age. The total number of persons supported by every person in the labour force, excluding himself or herself is indicated by the *labour dependency ratio*. In the case of Pixley ka Seme district this ratio is 1.81 with working individuals in the Siyathemba, Siyancuma and Thembelihle municipalities having to support approximately 2 persons. The lowest ratio in the district is to be found in the DMA are, at 0. 81.

### 1.2.1.4 THE ECONOMIC DIMENSION

In 2005 the total Gross Value Added at current price was R 2 761, 222 (R 2, 76 billion)

The largest contributor to the economy of the district measured by Gross Value Added at current prices in 2005 is Community, Social and Personal Services (36%). The next most important sector is agriculture (25%). The largest economy is Emthanjeni, where Community, Social and Personal Services play an overwhelming role.

#### Gross Value Added at current prices and % by kind of economic activity (2005)

Kind of economic activity	(R'000)	%
Community, social and personal services	R 990, 716	35.9%
Financial, insurance, real estate and business services	R 228, 251	8.3%
Transport, storage and communication	R 276, 016	10%
Wholesale and Retail	R 303, 443	11%
Construction	R 24, 812	0.9%

Kind of economic activity	(R'000)	%
Electricity, gas and water supply	R 151, 777	5.5%
Manufacturing	R 77, 831	2.8%
Mining and quarrying	R 9, 464	0.3%
Agriculture, hunting, forestry and fishing	R 698, 914	25.3%

It is important to note that the Community, Social and Personal Services commands the biggest share of the GVA and a very worrying factor is the contribution of the Manufacturing Sector which accounts only for 0.3% of the total GVA of the district. This poses a greater challenge in terms of the secondary economic activities. There is a much greater need for the municipalities to encourage for investments in downstream market activities.

#### Gross Value Added at current prices 2005 in R'000 and Gross Value Added per capita in Rand

Municipality	2005 (R'000)	Gross Value Added per capita 2005
DMA	R 88, 785	R 27, 893
Emthanjeni	R 741, 189	R 20, 853
Kareeberg	R 208, 293	R 21, 974
Renosterberg	R 173, 375	R 19, 119
Siyancuma	R 403, 842	R 11, 269
Siyathemba	R 316, 063	R 18, 041
Thembelihle	R 237, 176	R 16, 936
Ubuntu	R 338, 450	R 20, 659
Umsobomvu	R 254, 050	R 10, 748
<b>Pixley ka Seme</b>	<b>R 2, 761, 222</b>	<b>R 16, 770</b>

The average Gross Value Added per capita in Rand in Pixley ka Seme district is R16,770. There are two municipalities who fall below the district average that is Siyancuma and Umsobomvu. This

obviously has policy implication and poses much greater challenge with regard to planning by the District Municipality.

### **1.3 EXECUTIVE SUMMARY**

#### **1.3.1 VISION**

We, Pixley ka Seme District Municipality, commit ourselves to be a developmental municipality where the quality of life of all people in the district will be improved

#### **1.3.2 MISSION**

We strive to achieve:-

- Effective and efficient service delivery
- Optimal human and natural resource development
- Local economic growth and development, job creation and poverty alleviation
- A vibrant tourism industry
- To participate in the fight to reduce the infection rate and lessen the impact of HIV/aids and other communicable diseases
- A safe, secure and community friendly environment

#### **1.3.3 CORPORATE CULTURE AND VALUES**

- Driven by the aspirations of our people, we will respect and uphold the Constitution of the Republic of South Africa and , to this end, observe human rights and participate in co-operative governance
- We subscribe to the principles of Batho Pele and total quality management
- We commit ourselves to the Codes of Conduct for Councillors and Officials as contained in the Municipal Systems Act and to the principles of sound financial management
- We believe in integrity in the relations with all our stakeholders
- We commit ourselves to a corruption free municipality
- We endorse a “people-driven” approach and, to this end, commit ourselves to ensuring public participation in Local Government
- We commit ourselves to promote racial, gender and all other forms of equality and to empower all people in the district
- We regard the personnel of our municipality as our most important resource
- We will respect the views and inputs of all members of the council

#### **1.3.4 SWOT ANALYSIS**

##### **1.3.4.1 STRENGTHS**

- Sound financial management
- Low staff turnover
- Experienced staff
- Good Relationship between Political Office bearers and officials
- Tourism Attraction Model
- Strategically Positioned
- Funding provision for bulk infrastructure
- Good Policies in Place
- Good Inter-governmental relationships
- Strong Internal Audit & Shared Services
- Award Winning
- Full-time Mayoral Committee Members

- Political Stability
- Credible IDP
- Project implementation on all projects is 100%
- Middle management adhere to EE
- Excellent cooperation between District and Local Municipalities
- Strong Political Leadership
- All 8 municipalities have SDF and Master Plans
- The image of the District Municipality

#### **1.3.4.2 WEAKNESSES**

- Failure to explore existing and potential economic opportunities
- Qualified Audit Opinion
- Internal & external strong Communication systems
- HR training & development
- Lack of gender equity and Senior management level
- Strong District Municipality but weak local Municipalities
- Old plant (equipment)
- Budget constraints
- Spending of funds
- Risk management
- Policies not work shopped with implementing officials
- Shortage of staff
- Infrastructure very old
- Tourism development

#### **1.3.4.3 OPPORTUNITIES**

- Industrial & Economic potential
- Bulk water supply programme
- Lake !Gariep Initiative
- Revamped railway track
- Expanded Public Works Programme
- Bucket Free Environment
- Mineral deposits
- Tourist Infrastructure
- Bucket Free region
- MDG (water supply, sanitation, electricity and Housing)
- Neighbourhood development
- Infrastructure Grants
- Bulk services
- 2010 World Cup
- SKA

#### **1.3.4.4 THREATS**

- Impact of HIV/ Aids
- Unemployment
- Poverty
- Climatic conditions e.g. drought
- Inadequate public transport

- Public Transport facilities
- Alcohol abuse
- Disinvestments
- Declining in population
- Inflation and Price increases
- Higher learning institutions
- Rural (Attraction of skills)
- Load Sharing
- Salary increases

### **1.3.5 PIXLEY KA SEME DISTRICT MUNICIPALITY: DEPARTMENTAL OBJECTIVES AND KEY PERFORMANCE INDICATORS**

#### **1.3.5.1 SUPPORT AND SOCIAL SERVICES**

##### **1.3.5.1.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

- 100% of all critical vacant posts to be filled.
- Targeted recruitment to increase the number of women in the middle management level.
- Appointment of at least two disabled people during the financial year.
- Timely submission of the EE Report, Annual Training Report and the Work Place Skills Plan
- Approval of the SDBIP one month into the new financial year.
- Upgrade and improve the functionality of the website, posting of the budget 2008/09, quarterly news bulletin, economic sector plans, the annual report and the SDF.
- Finalise the Delegation of Powers and Functions Policy.
- Introduce a framework for Employee Health and Wellness Programme.
- Manage and improve the implementation of the PMS, quarterly coaching sessions and an annual performance review report.
- Drafting of Individual Career Development Plans for all the employees.
- Keeping functional and approved Record Management Systems.
- Support the successful establishment of the 5 Youth Advisory Centres.
- Support the successful implementation of the National Youth Service Programme.

##### **1.3.5.1.2 HOUSING DELIVERY**

- Implementation of the Housing Policy and the Housing Plan.
- Successful implementation of the Ouboks Project in terms of the project plan timeframes.
- To put all systems in place to get Level 2 and 3 Accreditation.
- Strengthening of the institutional capacity of the Housing Unit.

##### **1.3.5.1.3 MUNICIPAL HEALTH**

- Recruit at least two extra EH Practitioners to improve the quality of municipal health service.
- Put a plan for a systematic takeover of the municipal services without compromising the fiscal stability of the District Municipality.
- Implementation of the MH 2010 Implementation Plan.



#### **1.3.5.1.4 DISASTER MANAGEMENT**

- Conduct a review on the response-time of the Centre.
- Look at creative ways to increase the disaster response capacity of the local municipalities.
- Conduct a risk analysis on disaster threats in the district.
- Review of the Disaster Management Framework

#### **1.3.5.1.5 GOVERNANCE AND COMMUNITY PARTICIPATION**

- Strengthen the implementation of the Quarterly Bulletin.
- Improve the newsworthy content of the bulletin.
- Render efficient administrative support on the implementation of Mayoral Committee Meets the People.
- Render efficient Secretariat Services to the Lake! Gariep Inter-municipality Forum.
- Render efficient support to the work of Council Committees.
- Explore possibilities of convening the Council Committee Meetings on different days.

#### **1.3.5.2 INFRASTRUCTURE AND TECHNICAL SERVICES**

##### **1.3.5.2.1 INFRASTRUCTURE DEVELOPMENT**

- WATER
  - Conduct a study on the actual backlogs on potable water.
  - Solicit funding for the bulk water supply in the district.
  - All formal stands to have piped water on site by the end of 2009.
- BUCKET ERADICATION
  - Eradication of all buckets on formal stands by end June 2008
  - 100% of all schools with adequate sanitation by the end of 2009.
  - Draft and submit a business plan for the eradication of dry sanitation in the district the primary focus areas:
    - - Colesberg, and
    - - Britstown.
- GRANT FUNDING
  - 100% Expenditure of MIG and the PIG or any other grant allocated to the DM for investment in service infrastructure.
  - Grant spending primary focus on sanitation and water
- ELECTRICITY
  - Assist municipalities to ensure that there is 95% of all indigent households have access to free basic electricity
  - Intensify our programme to ensure access to electricity for farm dwellers.
  - Actively take part in the campaign to promote efficiency in energy consumption
- ASSISTANCE TO THE LOCAL MUNICIPALITIES BY THE PMU
  - Ensure 100% spending on the MIG allocation

##### **1.3.5.2.2 ROADS**

- 4000 km of gravel road to be bladed.
- Explore seriously the possibilities of implementing extensive programme of EPWP during the implementation service infrastructure projects.
- Implement the outcome of the fleet management study that was conducted in the DM.
- Work towards ensuring that 80% of our plant is relatively operational.
- Cut the over-expenditure by 50% in the mechanical section of the Technical Services.

#### **1.3.5.2.3 OPERATION AND MAINTENANCE**

- The O and M Unit to compile Operation and Maintenance Plans for the local municipalities.

#### **1.3.5.3 INTERNAL AUDIT UNIT**

##### **1.3.5.3.1 INTERNAL AUDITS**

- At least execute 36 quarterly internal audits in all 9 municipalities.
- 36 Audit Committee meetings to take place
- Assist municipalities in the recruitment and training of Internal Audit Committee Members.
- Always ensure quality assurance in the work and conduct of the Internal Auditors as required by the Standard for the Professional Practice of Internal Auditing.

##### **1.3.5.3.2 FRAUD PREVENTION AND RISK MANAGEMENT**

- Assist all 8 municipalities with the formulation and implementation of Fraud Response and Prevention Plans.
- Assist all 8 municipalities with Risk Management.

#### **1.3.6 DEPARTMENT OF FINANCE**

##### **1.3.6.1.1 EXPENDITURE MANAGEMENT**

- Avoid unauthorized expenditure
- Avoid wasteful expenditure
- Respond to all audit queries both internal and external
- Keep personnel expenditure below the national norm
- Implement early warning systems

##### **1.3.6.1.2 PROCUREMENT**

- Establish a fully functional Supply Chain Management Unit
- Strict compliance with the Supply Chain Management Policy
- Conduct risk management

##### **1.3.6.1.3 FINANCIAL STATEMENTS AND SYSTEMS**

- Submission of the GAMAP/GRAP Financial statements by the end of August 2009.
- Unqualified audit opinion for the financial year 2008/09.
- Ensure proper maintenance and operation of the financial systems

##### **1.3.6.1.4 FINANCIAL REPORTING**

- That accurate and professional reports as prescribed by the MFMA are submitted monthly, quarterly, mid-term and annually to the MC, Council and Treasury.

#### **1.3.6.2 SHARED SERVICES AND IDP**

##### **1.3.6.2.1 IDP SUPPORT**

- Promote inter-governmental planning.
- Efficient management of service providers.

- Ensure that all municipalities in the district have credible IDP.
- Assist municipalities with the IDP Review process as prescribed by legislation.
- Ensure that all building plans applications received are responded to within one month.
- Strengthen IDP support to municipalities at least 4 of the 8 municipalities must have credible IDP's in 2008/09.
- Train municipalities on the Spatial Development Framework.

#### **1.3.6.2.2 HUMAN RESOURCE**

- Ensure that all municipalities submit their Workplace Skills Plans.
- Assist and support municipalities in the implementation of WSP.
- Assist and support municipalities with the compilation and implementation of EE Plans.
- Give administrative and logistical support to the District DIGF.
- Training of the municipalities on identified training programmes.

#### **1.3.6.3 LEGAL AND PERFORMANCE MANAGEMENT SERVICES**

- Give credible and incisive legal advice to all municipalities in the district.
- Assist municipalities with litigation and drafting of legal documents.
- Assist and support all municipalities with the compilation and implementation of the PMS.
- Assist municipalities in establishment of the Performance Audit Committees.
- Monitor the implementation of the PMS in all municipalities in the district.
- Assist municipalities in the drafting of by-laws.

#### **1.3.6.4 LOCAL ECONOMIC DEVELOPMENT**

##### **1.3.6.4.1 2010 TOURISM POTENTIAL**

- Investigate the possibility of having Non-commercial Public Viewing Area in all municipal capital towns in the district.
- To fast-track the issue of the appointment of the Tourism Officer for the district by the DEAT.
- To strengthen our role in the Lake !Gariep initiative.
- Investigate the possibilities of hosting Pixley ka Seme Cultural Festival with Emthanjeni Municipality.

##### **1.3.6.4.2 DGDS**

- Finalise the DGDS Implementation plan which focuses on the five anchor projects.
- Support the Manhattan investments in Siyancuma.
- Complete the Standard Investment Incentives for the district. This should have clear incentive packages for the investors in the district.
- Exploit the implementation of service infrastructure projects to implement EPWP:
  - Water pipeline project in Renosterberg
  - The ouboks project
- There should be conscious effort to give preference to SMME in the implementation of the SCM Policy.
- Fully explore the economic potential of the mineral deposits in Siyancuma and Siyathemba Municipality.
- Fully explore the economic and tourism opportunities and potential Square Kilometre Array Telescope in the outskirts of Carnarvon.
- Investigative Study on the possible Uranium deposits in the district

## 2 CHAPTER 2: PERFORMANCE HIGHLIGHTS

### 2.1 BACKLOGS IN SERVICES DELIVERY

#### 2.1.1 MUNICIPAL INFRASTRUCTURE GRAND

##### 2.1.1.1 INTRODUCTION

This report constitutes the Evaluation Report for the Municipal Infrastructure Grand, also known as the MIG Programme for Pixley ka Seme District Municipality.

The aim of this report is to provide the reader with the findings to carry out the final evaluation of the programme. The report has incorporate feedback from the meetings with the stakeholders and the Project Management Units meetings held bi-monthly in the district.

The report is an evaluation of the status of the programme during the period April 2008 and March 2009 with some references to MTEF period 2008 until 2010.

##### 2.1.1.2 BACKGROUND

The background presented here is intended to provide a common understanding of the MIG programme in the Pixley ka Seme District Municipality.

##### A. Overall description of the programme:

- Programme history

The MIG is a consolidated grant mechanism. Its establishment was approved by Cabinet on 5 March 2003 and was fully established in 2004/05. MIG consists of the merger of the following infrastructure grant programmes:

- CMIP- Consolidated Municipal Infrastructure Programme of CGTA,
- Local Economic Development Fund managed by CGTA,
- Water Services Capital Grant managed by DWAF,
- Community Based Public Works Programme managed by Public Works
- Building of Sport & Recreation Programme of Sport and Recreation
- Urban Transport Grant of Department of Transport

Initially the National Electrification Programme was planned to be phased in, but due to the establishment of the REDS this programme was not incorporated.

- Project/programme concept, design, plan, start date – duration of the programme

The Municipal Infrastructure Grant programme is aimed at providing all South Africans with at least a basic level of service by the year 2013 through the provision of grant finance aimed at covering the capital cost of basic infrastructure for the poor. The MIG will have an overall target of removing the backlog with regard to access to basic municipal services over a 10-year period. The MIG programme officially started 1 July 2004 in the Pixley ka Seme District.

The programme is also a key part of government's overall drive to alleviate poverty in the country and, therefore, infrastructure is to be provided in such a way that employment is maximized through labour intensive construction methods and opportunities are created for enterprises to flourish. At the end of the 10 year period it is envisaged that through the MIG programme, National Government has ensured that all basic municipal infrastructure backlogs have been addressed. MIG would also have capacitated municipalities to such an extent that they are in a position to operate and sustain the entire infrastructure services provided.

During the previous financial years the District Municipality received all the MIG funds and allocates the funds using the IDP of the eight local municipalities. All registered infrastructure projects for implementation were identified and prioritized in collaboration with the municipalities.

**B. Amount allocated for the past three years (R,000)**

Municipality	2006/07	2007/08	2008/09
Pixley ka Seme MIG	R 6,214	R 2,238	R 2,919
Pixley ka Seme Adjustments	R 4,000	R 3,824	
Total	R 10,214	R 6,062	R 2,919
Expenditure	R 10,214	R 6,946	R 3,389
Difference	R -	R -884	R -470

- 2006/07 – Only R4,000 million of the Gazetted R7,824 million disaster funds was transferred.
- 2007/08 – The balance of the disaster funds was transferred

**C. Challenges identify since onset**

Municipalities in the District experience the following challenges, which delays implementation and progress.

- Small allocations to municipalities

The total MIG allocation per municipality in per annum is very little. The allocation fluctuate between R5 million to R11 million with most municipalities receiving less than R8.5 million. This allocation is for all municipal infrastructure projects. When bulk services have to be installed, which is the case in most municipalities, as the oxidation ponds or network was not design for the extra load, the allocations are insufficient to implement bulk projects and thus these projects are not implemented and backlogs cannot be addressed.

The cost of one project often exceeds the total amount available for a financial year. In order to prevent down time between two financial years, projects are only initiated at the end of a financial year. In this way the funding for the next financial year is also available for the implementation of a project.

- Under estimating project costs

Project amounts are under estimated upon registration at the MIG office. On tendering the costs exceed the registered amount, in some cases because construction companies are over committed and therefore tender with higher profit margins, which has escalated costs in the recent past. Budget maintenance needs to be done on many of the projects as soon as a tender closes.

- High unit costs

In some areas, such as Carnarvon, the unit cost per household is also higher than the DWAF policy guideline. This requires approval to exceed the guideline each time a business plan is submitted, which is time consuming.

- Other national targets priorities

Sports and recreation facilities are also funded from MIG. The Minister of Sport indicated that sport facilities should become priority for the 2010 Soccer World Cup. The Department of Corporate Governance and Traditional Affairs is also under pressure to achieve their targets. However, for municipalities to be able to achieve the housing target, which is also a high priority for communities, basic bulk services infrastructure needs to be in place, which influences the eradication of backlogs for water and sanitation services.

- Lack of capacity

MIG funding is allocated to municipalities who are responsible for implementation. A lack of capacity exists in especially:

- Preparation of bid documents – although the District Municipality has assisted some municipalities not all Municipalities are willing to except the help of the District Municipality.
- Appointment of consultants – It can take up to 3 months after tenders have been approved to appoint service providers. Municipalities are not always able to draft contract documents.
- Project Management – This is a major problem in local municipalities as there is a lack of capacity in managing consultants on projects and is also unable to submit the necessary reports.
- Supply chain management – In terms of Supply Chain Management municipalities have to prepare terms of reference and establish different committees. Municipalities in the district find it difficult to establish all these committees and without these committees service providers and contractors cannot be appointed. In the past the District Municipality assists some Municipalities regarding terms of reference and bid committees and will continue where the need arises.

- Lack of planning

In some municipalities no planning is undertaken and no business plans are prepared. In other cases consultants are appointed to assist, but the business plans prepared do not comply with policy guidelines and have to be referred back several times.

Before bulk services can be installed, the planning and surveying of land must be completed. During the planning process municipalities does not take the EIA process in consideration.

- Uncoordinated support to municipalities

A number of role-players are providing support to municipalities. Although the support is good, many similar demands are being placed on municipalities, and they are struggling to fulfill their functions and deliver services. A more coordinated approach should be followed.

- Annual increase of the number of households

Although the population of the District has decreased, the number of households is increasing. As soon as buckets are eradicated in one area, these buckets are provided in a new informal area to ensure that these households have some form of sanitation available.

- Lack of bulk infrastructure

The implementation of VIP/UDS toilets delivery is fast compared to waterborne sanitation where bulk services are often required. As soon as waterborne sanitation services are to be provided, delivery is time consuming. In most cases, the capacity of oxidation ponds need to be increased, after which bulk sewer lines can be constructed. Only then the sanitation backlog can be addressed i.e. Carnarvon, Petrusville, Douglas, Prieska and Strydenburg.

### 2.1.1.3 EVALUATION AS PER THE PRACTICE NOTE

#### Part 1: Progress to date

Actions undertaken by various actors during 2008/09

Phase and schedule for	Role players	Actions
Project Identification May - July	Local Municipality  District Municipality	Prepare IDP's. Council's resolution. Appoint service provider for feasibility study if necessary. Appoint service provider for project registration and technical report. Give support and guidance to Local Municipalities who do not have a PMU section.
Registration August - September	Local Municipality District Municipality CGTA CGTA	Assess registration and technical report Sign off and submit to PMU for registration Review application and register the application on MIS and submit to PPMU. Assess registration and technical report and submit to Technical Committee Meeting with sector Department for approval Assess and approve project
Implementation October – December  February – March	Local Municipality  Consulting Engineers	Schedule projects for implementation according to DORA allocations Appoint Consulting Engineers for projects to be implemented. Register consulting engineer on MIG MIS. Design the works and relevant EIA application. Compile bid documents and discuss designs with Bid Specification committee. Bid advertise, Site Inspection, Opening of bids.

Phase and schedule for	Role players	Actions
March	Local Municipality	Assess bids and compile bid evaluation report. Bid Evaluation committee recommends bid for approval to Municipal Manager Appointment of contractor and register on MIS Establish Project steering committee.
April – end of project/phase	Contractor	Comply with all specific administrative project requirements e.g. health and safety, surety, works programme etc. Implement the works according to work programme.
	Consulting Engineers	Attend project steering committee and monthly progress meetings Responsible for Project Management. Measurement and control of works. Verification of interim payments and compilation of MIG reports.
	Local Municipality	Conduct monthly progress meetings Attend site meetings. Process payments and submit to PMU. Submit data on MIG MIS.
	District Municipality	Responsible for monthly reports If the Local Municipality has no PMU the DM PMU will attend and assist the municipality as far as possible.
	CGTA	Attend site meetings and submit progress reports.
Physical Completion	Consulting Engineers	Notify Municipality of completion and submit MIG 9 report
End of construction	Local Municipality	Sign off and forward MIG 9 form to PMU to submit on MIS
Retention Practical Completion	Consulting Engineers	Do final inspection of the works. Verify payment certificate and submit MIG 10 report for payment
End of retention period	Contractor	Attend site meeting. Rectify any defects and submit retention claim.
	Local Municipality	Attend site meeting. Process payments and submit to PMU. Submit data on MIG MIS.
	District Municipality	Responsible for monthly reports If the Local Municipality has no PMU the DM PMU will attend and assist the municipality as far as possible

#### Management of the programme

The Project Management Unit of the District Municipality is situated within the Infrastructure Section of District Municipality and support local municipalities who requested help. The section has two Civil Engineer Technicians and a Project Manager / Data Capturer. Except for the District Municipality the unit render support services to Renosterberg, Kareeberg, Siyathemba, Siyancuma, Ubuntu and Thembelihle Municipality during the year. In order to render a full PMU function effectively there is still a need for additional technical support.



**Part 2: Monitoring**

Monitoring was done as described in the above table.

**Part 3: What are the results and who benefited?**

See the next table

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Municipality	Project Description	Outputs	Outcomes (Proximate)	Outcomes (Distal)
Kareeberg	317: Carnarvon Internal Streets & stormwater	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	An engineered design municipal access roads which will enhance the living conditions and will improve accessibility to the CBD area.	An Engineered design al weather road, which will lessen vehicle operating cost in the area. The community will also be healthier because of the minimization of dust.
Kareeberg	272: Carnarvon/Bonteheuwel Sewer Reticulation 620 erven & outfall line, pump station, rising main	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	620 buckets to eradicated in Bonteheuwel. New toilet structures with flush toilets and a sewer reticulation system.	Restore the dignity of the community by providing them full flush toilets. Healthier and happy community
Kareeberg	422: Carnarvon Rehab of Oxidation Pond system	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	New oxidation ponds with enough capacity for the next twenty years to come.	Healthier community as buckets can be eradicated.
Renosterberg	273: Phillipstown Upgrading of gravel access roads	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	Well design municipal roads which will enhance the living conditions of the community.	An Engineered design al weather road will lessen vehicle operating cost in the area. The community will also be healthier because of the minimization of dust.
Renosterberg	439: Phillipstown Eradication of 500 bucket toilets	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	500 buckets to eradicated in Philipstown. New toilet structures with flush toilets and a sewer reticulation system.	Restore the dignity of the community by providing them full flush toilets. Healthier and happy community
Siyancuma	954: Douglas Sanitation Project	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	The project aimed to eradicate 635 buckets in Bongani and Breipaal near Douglas. New toilet structures with flush toilets and a sewer reticulation system.	Restore the dignity of the community by providing them full flush toilets. Healthier and happy community
Siyathemba	276: Prieska Access Roads	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	Well design municipal roads which will enhance the living conditions of the community.	An Engineered design al weather taxi routes will lessen vehicle operating cost in the area. The community will also be healthier because of the minimization of dust.
Thembelihle	673: Hopetown: Solid Waste site	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	New solidwaist site for Hopetown and rehabilitation of the existing site.	Healthier community as the existing site is close to residential areas. New site will lessen the impact on the environment due to its position, and design.
Ubuntu	318: Victoria West Eradication of Buckets	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	Bucket replacement with new toilet structures with flush toilets and a sewer reticulation system.	Restore the dignity of the community by providing them full flush toilets. Healthier and happy community
Ubuntu	956: Loxton Upgrading of Access Road	Design, Compilation of Bid document, Adjudjudication, Appointment and Project Implementation. Reporting and Monitoring	Well design municipal roads which will enhance the living conditions of the community.	An Engineered design al weather access routes will lessen vehicle operating cost in the area. The community will also be healthier because of the minimization of dust.

#### 2.1.1.4 CONCLUSIONS

- The main successes of the projects to date are that basic infrastructure is provided to disadvantage communities to better their living conditions.
- Failure can be described as:
  - not enough funds are made available to address these backlogs at once,
  - municipalities who do not have the capacity to administer the MIG programme receive funds,
  - community education is not always done.

#### 2.1.1.5 RECOMMENDATIONS

- Accreditation

Municipalities who wants to administer the MIG programme should be accredited to administer the MIG programme this includes monitoring and management.

- DORA funding

As indicated above, the availability of funding is an important factor. DORA allocations should be assured for a 5 year period. At present the DORA funding is only secured for one year, which makes medium term planning problematic. National Treasury has in the past reduced DORA allocations to municipalities, which has negatively influenced planning.

The municipalities only want to plan when a letter confirming an allocation arrives, then tender processes need to be initiated, environmental impact assessments undertaken etc. by which time 8 months have elapsed and National Treasury wants to take money back due to lack of spending. The sequencing of events requires special attention, and the securing of funds for more than one year will play a positive role in speeding up delivery.

The funding should be linked to the requirements of the projects. Progress is delayed due to the fact that the allocations are too small to implement a project and many projects cannot be completed within one year, e.g. the upgrading of the sewerage treatment works and the laying of a bulk sewer line within one year.

- Multi-year business plans

In some municipalities, such as Siyancuma the sanitation and water needs are huge and backlogs cannot be eradicated within the next three years. Multi-year business plans are required to ensure that municipalities are able to start with the implementation of projects sooner within a financial year. Currently it takes 6 months of a year just to get business plans submitted and approved before implementation can start.

- Assistance with business plans

In some cases the business plans have to be referred back several times

before they comply with the policies and are of an acceptable standard. It is suggested that a team of consultants, who understand what is expected from the business plan process, be appointed to assist some of these municipalities.

- Channelling funding through District Municipalities

In the past MIG funds were channelled through the District Municipalities. At present the MIG allocation is paid directly to the local municipalities. This presents lost opportunities where large projects cannot be implemented by pooling funds for a particular year; nothing can be done with small amounts by individual municipalities. If funded through the District Municipalities pooling could be done and the prioritisation of projects could also be controlled and influenced.

Reporting should also be done through the District Municipalities to the Northern Cape Province.

- Prioritising water and sanitation projects

The prioritisation of projects is done annually through the IDP process. During the review process the needs expressed by communities are prioritised and national targets are not always taken into account. An advocacy programme is required to emphasize the importance of the national targets.

At least 52% of the MIG allocation should be prioritised for water and sanitation services. However, this needs to be ensured through a monitoring process.

CGTA could consider ring fencing funds required to meet national targets in the same manner in which bucket eradication funds are ring fenced.

- Housing projects

The District needs to ensure that no housing projects are built without water and sanitation services.

- Determining backlogs and tracking progress

The definition of basic facilities should also be clarified and understood as some municipalities place higher order services on backlog lists.

It is also unclear whether all municipalities consider new areas being informally settled as backlogs or not. Definitions need to be clarified to ensure reliable reporting and tracking of progress.

Maps with water and sanitation levels of service have been prepared for all Northern Cape towns and settlements by DWA. It is suggested that the tracking of projects eradicating backlogs is presented on this mapping.

- Monitoring system

On a district level a monitoring system needs to be put in place. The

monitoring staff should include an experienced engineer and have access to an established administrative support system with authority that could assist local municipalities in clearing administrative blockages or obstacles within the system. Although a PMU is established in each District Municipality area, they do not have any authority to perform their duties at this stage. Funding is transferred directly from Treasury to the municipality. Since the allocation per municipality are so little the total amount is transferred at the outset. Consequently, no leverage exists if municipalities do not perform as required.

The monitoring office should also be responsible for co-ordinating all support to municipalities, thus limiting the demands made by different role players on municipalities.

- Training

The technical staff at municipalities needs to be trained in the following areas:

- Preparation of tenders
- Establishing all the committees in terms of Supply Chain Management Evaluation of tenders
- Appointment of contractors/service providers
- Project management

This training should be practical and needs to provide the technical staff with templates. Monitoring staff, described above, should be used to support the municipalities for a period of time after the training has been conducted to ensure that the necessary systems are put in place and used. The monitoring staff should have authority over the technical staff of municipalities in order to be able to act on non-compliance with the procedures established. A major concern is also that not one Northern Cape institution is an accredited provider registered at LGSETA; and only one is in the process of being accredited.

- Shared services unit and Operation and Maintenance units

Engineers and financial staff are required at many municipalities. The District Municipality is in the process of employing skilled staff in key positions to assist local municipalities, e.g. tendering processes for the appointment of professional services appointment and implementation of projects. This concept is being promoted by CGTA at present and CGTA should consider funding this initiative.

An added challenge to overcome is the attraction of skilled staff to the districts of the Northern Cape.

O&M units are being put in place at all District Municipalities. Linking backlog eradication projects to these units may also be beneficial.

## 2.2 RELATING BACKLOGS TO MUNICIPAL SPENDING ON SERVICE DELIVERY

### 2.2.1 BACKLOGS IN SERVICES DELIVERY

South Africa is a signatory to an International Declaration on targets for eradication of backlogs in basic service delivery. The declaration was signed in 1995 in Brazzaville for African countries. A declaration was signed in The Hague in March 2000, to ensure that the global number of people without acceptable sanitation is halved by 2015.

The South African Government recognises the importance of sanitation in improving the lives of people and giving them dignity, especially in 2008 which was the International Year of Sanitation. In the past few years sector Departments has dramatically increased the amount of resources allocated to provision of water and sanitation services and ensured that universal access to water and sanitation remains high on the agenda.

South Africa has set the following National targets to eradicate backlogs:

- All schools must have water and sanitation facilities by 2009
- All buckets in pre 1994 formally established settlements should be eradicated by 2007
- Water backlogs to be eradicated by 2008
- Total sanitation backlog to be eradicated by 2010.

Although good progress has been made with the eradication of buckets on formal pre 1994 stands, huge challenges still exist to ensure that all people have access to at least a basic water and sanitation facility.

#### Backlogs at schools

The target date for achieving school water and sanitation targets have been postponed from 2005 until 2009.

The minimum standards for water at schools have been defined to:

- 15-20 litres per learner per day
- 90 – 140 litres per learner per day for boarding schools
- 1 water supply terminal per 130 person within 200m of the main building
- If possible 1 dedicated formal municipal water supply connection to each school

Considerations were given to pressure sensitivity of the water measured over a 24 hour period. Originally 19 schools were prioritized but due to new guidelines only 4 schools were identified. The new guidelines indicate the responsibility between DWA and National DoE and the parties agreed that:

- DWA will direct this special funding to schools that have no access to any water supply and/or sanitation services infrastructure (Priority 1 schools) and schools with non functional water services, where more than 50% of replacement/refurbishment works would to be performed to allow proper functioning of the water services facility, and
- A parallel process of existing provincial DoE, Donor, Department of Public Works and other programmes will address schools already served but have adequate water supply and sanitation services infrastructure (Priority 2 schools)

The next table gives the number of schools per category within the Pixley ka Seme District Municipality.

Category	Categorising of the Problem	Number of Schools	Responsibility/ Funding Source
1	Schools with no Water and Sanitation	1	DWAF
2	Schools with no Sanitation	5	DWAF
3	Schools with no Water on site		DWAF
4a	Schools with inadequate sanitation technology		DoE/ DoT, R & PW
4b	Schools with inadequate sanitation numbers and experience functionality problems	33	DoE/ DoT, R & PW
4c	Schools with inadequate sanitation numbers	40	DoE/ DoT, R & PW
4d	Schools with 50% and more sanitation functionality problems	12	DWAF
5a	Schools with inadequate water technology (e.g. Windmills, hand pumps)	1	DoE
5b	Schools with inadequate water functionality	1	DoE
5c	Schools with no backlogs of which has closed down	17	

The next table gives the status report of the identified schools in the District

Water Provision			
School	Scope of work	Project Amount	Progress
Bucklands	Installation of water tank stand, water tank and stand pipes	R175,240.23	Completed
Plooyburg	Installation of water tank stand, water tank and stand pipes	R179,862.91	Completed
Melton Wold	Installation of water tank and stand pipes	R198,351.45	Completed
Pampoenpoort	Installation of water tank stand, water	R203,552.48	Completed

	tank and stand pipes		
<b>Sanitation Services</b>			
Bucklands	Construction of toilets, installation of toilets, pipe work and connection with conservancy tank		Project to be awarded soon
Melton Wold	Construction of toilets, conservancy tank and installation of toilets, pipe work and connection with conservancy tank		Project to be awarded soon
Pampoenpoort	Construction of toilets, conservancy tank and installation of toilets, pipe work and connection with conservancy tank		Project to be awarded soon

### Sanitation Backlogs

The next tables give an indication of the water and sanitation backlog status in the Pixley ka Seme District.

Municipality	Water backlogs		Sanitation backlogs		Comments
	Formal Stands	Informal Stands	Formal Stands	Informal Stands	
Emthanjeni	0	0	0	58	
Kareeberg	0	115	925	73	Pre 1994 - 745 BE project currently under construction
Renosterberg	0	0	25	27	
Siyancuma	1501	1174	1818	1032	Pre 1994 - 570 BE project currently under construction
Siyathemba	179	0	94	179	
Thembelihle	113	424	113	324	
Ubuntu	260	129	355	86	
Umsobomvu	22	80	0	80	
Total	2065	1922	3330	1859	

Households with no sanitation, pits or buckets (post 1994) on formal stands need to be supplied with a basic sanitation facility by 2010. It is estimated that approximately 2,015 households on formal stands and 1,859 households on informal stands are currently in need of basic sanitation. The backlogs on informal stands are supposed to be eradicated by through the housing programme.

It is estimated that it will cost approximately R 32 million to provide the formal stands with sanitation services, calculated at a cost of R16,000 per water borne sanitation unit.

There are still a number of UDS and VIP toilets in use in Municipal areas which needs to be upgraded.



Municipality	Basic Sanitation Services		Comments
	UDS formal	VIP formal	
Emthanjeni	504	142	Britstown & Hanover
Kareeberg	0	229	Vanwyksvlei
Renosterberg	0	0	
Siyancuma	243	0	Campbell
Siyathemba	0	660	Niekerkshoop & Marydale
Thembelihle	0	0	
Ubuntu	0	0	
Umsobomvu	0	537	Colesberg
Total	747	1568	

The cost to upgrade these sanitation services is very high in some places as no bulk infrastructure is in place e.g. waste water treatment works or insufficient water supply is available.

### 3 CHAPTER 3: HUMAN RESOURCE AND OTHER INSTITUTIONAL MANAGEMENT

#### 3.1 ORGANISATIONAL STRUCTURE AND FILLING OF CRITICAL POSTS

The municipality identified a number of positions as being critical in the municipality achieving its strategic objectives. These positions had to be filled within the financial year.

The following critical posts were filled:

- \* LED Manager
- \* Driver / Chauffeur
- \* 2 x Environmental Health Practitioner
- \* 2 x Mechanics

#### 3.2 ADHERENCE TO COUNCIL'S EMPLOYMENT EQUITY PLAN (EEP)

The municipality, in its attempts to address and promote the constitutional right of equality, eliminate unfair discrimination in employment practices and achieve a diverse workforce broadly representative of the demographics of the region, reviewed its employment equity plan during the 08/09 financial year in order to speak to the strategic objectives of the District Municipality.

The approved EEP has assisted the municipality in addressing representation at all levels in the hierarchy of the municipality especially gender representation. This is especially visible at second tier of management of the municipality where women are more prominent compared to the previous years.

The following table reflects EE on the different employment categories within the organization as a whole.

NB: It should however be noted that the traditional or historic business of the institution will always have an impact on the employment trends of that particular business. It might be skewed towards males or females.

Occupational Levels	3.2.1										TOTAL
	Male			Female				White Male	Foreign Nationals		
	A	C	I	A	C	I	W	W	Male	Femal e	
Top management	2	1						2	1		6
Senior management	2				2		1	1			6
Professionally qualified and experienced specialists and mid-management	7	3		4	3		2	2		1	22
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	2	11		2	3		1	1			20
Semi-skilled and discretionary decision making	17	23		26	8						74
Unskilled and defined decision making	35	55		31	31		3	1			156
TOTAL PERMANENT	65	93		63	47		7	7	1	1	284
Non – permanent employees							1				1
GRAND TOTAL	65	93		63	47		8	7	1	1	285

Person with disabilities						1(sight)			1
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Disability categories as per EE Act: Sight, physical and mental.

Implementation of EE within the Support and Social services is on track.

The following table reflects the different categories within the section per gender, race and occupational category:

	Male	Female	TOTAL
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Occupational Categories	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2							1	3
Professionals	2	1			1	2			6
Technicians and associate professionals	1								1
Clerks	1	1			6				8
Service and sales workers	2	3			6	3			14
Skilled agricultural and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations	1				4				5
<b>TOTAL PERMANENT</b>	<b>9</b>	<b>5</b>			<b>17</b>	<b>5</b>		<b>1</b>	<b>37</b>
Non-permanent employees									
<b>TOTAL</b>	<b>9</b>	<b>5</b>			<b>17</b>	<b>5</b>		<b>1</b>	<b>37</b>

Person with disabilities						1			1
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The following terminations were made during the 08/09 financial year:

Termination	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Resignation	2	3			1			2	8
Non-renewal of contract									
Dismissal – Operational requirements (retrenchment)									
Dismissal – misconduct									
Ill Health retirement									
Deaths	1								1
Retirements									
Total	3	3			1			2	9

### 3.3 SUBMISSION OF ANNUAL EE REPORT

Section 21 of the EE Act compels employers with less than 150 employees to submit E E report once every second year while employers with more than 150 employees have to submit their EE report annually.

The number of employees has increased drastically during the 08/09 financial year (due to NYS learners contracted for one year) and the municipality has to submit an EE report annually as per section 21 (2) of the EE act.

During this year the report was submitted in October 2008 so as to ensure compliance with the provisions of the Act.

*The top management of the municipality is still male dominated. This situation cannot be addressed currently due to contracts that are between the current management and the municipality.*

### 3.4 SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN

The SDBIP was drafted and tabled before council for approval. It was implemented during this financial year.

### 3.5 HUMAN RESOURCES DEVELOPMENT AND CAPACITY BUILDING

Human Resource Training and Development is central to the survival of the organization because it ensures that the employees of the municipality are up to date on new developments affecting their work environment. This also ensures for effective and efficient implementation of council programmes due to staff that is well trained and committed to the broader objectives of the organisation.

Career Plans were drafted for 30% of the employees. The rest will be drafted during the 2009/10 financial year.

### 3.6 DEVELOPMENT

All skills development programmes are informed by the Work Place Skills Plan of the municipality. This is to ensure that training is not implemented haphazardly and that it is going to address skills shortages that are needed for the institution to achieve its strategic objectives.

During this period a skills audit for all employees was done and the Work Place Skills Plan, as well as the Annual Training Report, were submitted to the LGSETA on time. All trainings are conducted by accredited training providers, this forms part of ensuring that training programmes are accredited and they can be accumulated and can eventually lead to a formal qualification over a period of time.

In house training is also provided where skills transfer is has to take place under specific circumstances.

The following accredited trainings and workshops were facilitated by the HR division for the period:

#### Support and Social Services Department

○ Labour Relations	1
○ Records Management Training	3
○ Housing Consumer Education	3
○ Housing Consumer Education 2 <sup>nd</sup> Session	2
○ Management Training	2
○ Housing Consumer Education Training the Trainer	3
○ Promote Health & Hygiene Improvement in a Sanitation project	1
○ Maintain Maturation and Oxidation Pond	1

#### Finance Department

○ Certificate Programme IN Management Development for Mun Fin	1
○ Supply Chain Management	3
○ Practical Municipal Accounting	2
○ GRAP Training	2

#### Technical and Infrastructure Department

○ Labour Relations	10
○ Project Management	2
○ Records Management	1

#### Internal Audit

○ Public Management and Administration	1
○ Effective Report Writing	6

#### Office of the Mayor

○ Public Management & Admin	2
○ Records Management	1

The total cost of the training for the year amounted to R225 701,98.

### 3.7 LABOUR RELATIONS

The Local Labour Forum meets once every month and it is aimed at ensuring that good relations are maintained between the municipality and the Unions that are active within the municipality.

### 3.8 HUMAN RESOURCE MANAGEMENT

#### 3.8.1 INSTITUTIONAL PLAN

The Institutional Plan for the municipality was drafted, tabled and approved during this financial year.

The institutional development plan provides a framework for the functional improvement of the Pixley Ka Seme District Municipality as an institution. The formulation of the institutional capacity is a critical success factor for managing, implementing and monitoring development related activities.

### 3.9 THE 2008/09 FINANCIAL YEAR PERFORMANCE EVALUATION

The 2008/09 Performance Evaluation took place between the 26<sup>th</sup> October 20 and 18<sup>th</sup> November 2009. The evaluation was done by an Evaluation Panel appointed by the Council in terms of the prescriptions of the MPR.

The following methodology was used:

- A session was held first before the municipal manager and individual senior managers' assessments could take place to ensure that all senior managers are familiar with applicable legislation and the process and procedure of assessment.